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U.S. CHARGES EX-SALOMON SMITH BARNEY MANAGER
WITH RECEIVING COMMERCIAL BRIBES

DAVID N. KELLEY, the United States Attorney for the Southern District of New York, announced that MARIA E. SHAW, a former manager in the graphics department of Salomon Smith Barney, Inc. ("SSB"), a New York investment bank, was arrested today on charges that she accepted commercial bribes in exchange for steering SSB printing work to a graphics firm on Long Island.

According to a criminal Complaint filed in Manhattan federal court, as a manager in the graphics department of SSB, SHAW was responsible for allocating SSB's contracts for commercial printing and related services. From time to time, SSB awarded contracts for commercial printing to JB Promotional Graphics, a firm located in Ronkonkoma, New York. In early 2000, the owner of JB Promotional Graphics (hereinafter the "Firm Owner") took SHAW to dinner in Manhattan. As the Complaint

alleges, at the dinner SHAW stated that the amount of business received by JB Promotional Graphics from SSB would double - from approximately \$1 million to approximately \$2 million - if the Firm Owner agreed to kickback 5% of the total amount of business that JB Promotional Graphics received from SSB, i.e. approximately \$100,000. According to the Complaint, the Firm Owner balked at SHAW's request, indicating that he could not pay such a large amount. SHAW told the Firm Owner that he should figure out a way to pay her.

According to the Complaint, approximately six weeks later, the Firm Owner met with SHAW at her SSB office in Manhattan. SHAW told the Firm Owner that, while he mulled the proposed kickback arrangement, in the interim he should pay "this" and SHAW handed the Firm Owner a bill for an installment of the home equity loan on her residence. Subsequently, according to the Complaint, the Firm Owner wrote a check made payable to Chase Manhattan Bank in the amount of approximately \$10,000 drawn on the account of JB Promotional Graphics and delivered the check to a Chase branch in Ronkonkoma, New York, as a payment on SHAW's home equity loan. According to the Complaint, over the next few months, SHAW gave the Firm Owner approximately four additional bills for installments on her home equity loan. Similarly, the Firm Owner made payments on these

bills using checks drawn on the account of JB Promotional Graphics.

In addition, according to the Complaint, the Firm Owner paid two bills, totaling approximately \$7,000, for Shaw's personal credit card and also paid bills for SHAW's hairdresser. According to the Complaint, the amount of business that JB Promotional Graphics received from SSB for commercial printing and related services increased during the period that the Firm Owner paid these commercial bribes to SHAW.

According to the Complaint, subsequent to the above-described events, the Firm Owner began cooperating with the FBI and has since pled guilty to charges of mail fraud, interstate travel in aid of racketeering, and bid rigging. The Firm Owner is awaiting sentencing.

SHAW, 62, resides on Staten Island, New York.

SHAW is charged with one count of mail fraud and one count of interstate travel in aid of racketeering. If convicted, SHAW faces a maximum sentence of 25 in prison and a fine of \$500,000. SHAW was released on a \$50,000 personal bond.

Mr. KELLEY praised the efforts of the FBI in the investigation of this case.

Assistant United States Attorney BRET R. WILLIAMS is in charge of the prosecution which is being conducted jointly with the United States Department of Justice's Antitrust Division.

The charges contained in the Complaint are merely accusations, and the defendant is presumed innocent unless and until proven guilty.

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